GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2803
ANSWERED ON:09.08.2001
INVESTMENTS BY ENRON IN OILFIELDS
RAM JEEVAN SINGH

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) Whether Enron Corporation has spent millions of dollars in the country`s Oilfields without valid authority and has depressed royalty payments to the Government;

(b) if so, the details thereof; and

(c) the steps taken by the Government in the matter?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) to(c): Panna, Mukta & Tapti fields have been awarded to a consortium comprising Oil & Natural Gas Corporation Ltd. (ONGC), Reliance Industries Limited (RIL) and Enron Oil & Gas India Limited (EOGIL), with EOGIL as the operator. The expenditure on these fields is made by the above consortium in accordance with the Production Sharing Contracts (PSCs) entered into by them with the Government of India. Royalty and all other dues are paid by the consortium in accordance with the provisions of these PSCs and the applicable laws and rules.

As per provisions of the PSCs, there is a Management Committee to approve the budget and oversee the expenditure, development and monitoring of these fields as well as monitor the implementation of the PSCs. Officials from the DGH represent the Government of India on these Management Committees. Reconciliation of receipts and expenditure, including payment of royalty etc., is an ongoing process.